

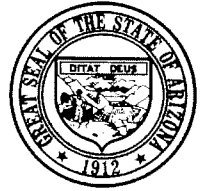
ARIZONA DEPARTMENT OF WATER RESOURCES

Office of Assured and Adequate Water Supply

3550 North Central Avenue, Phoenix, Arizona 85012

Telephone 602 771-8500

Fax 602 771-8689



Janet Napolitano
Governor

Herbert R. Guenther
Director

October 18, 2007

Mr. Roy Tanney
Arizona Department of Real Estate
2910 N. 44th Street
Phoenix, Arizona 85018

Water Report #53-700403.0000

Subdivision Name: Realsite Arizona Ranchettes

Units 1, 3, 4, 6, 7, 8 and 9

Owner: Platinum 1000 LLC, a
Nevada limited liability company

Number of lots: 252

County: Mohave

Township 25 North, Range 16 West, Part of Section 1,
Township 25 North, Range 16 West, Part of Section 11,
Township 25 North, Range 16 West, Part of Section 23,
Township 25 North, Range 16 West, Part of Section 25,
Township 25 North, Range 16 West, Part of Section 35,
Township 26 North, Range 15 West, Part of Section 19,
Township 26 North, Range 15 West, Part of Section 31
of Realsite Arizona Ranchettes, Units 1, 3, 4, 6, 7, 8 and 9

Water provided by: Dry lot, individual wells

Water Type: Groundwater

Current water depth: No Information

Estimated 100-year depth: No Information

Current decline rate: No Information

Basin: Hualapai Valley

Dear Mr. Tanney:

Pursuant to A.R.S. § 45-108, the Department of Water Resources has reviewed the available information pertaining to the water supply for the above-referenced subdivision. This letter constitutes the Department's report on the subdivisions water supply as required by A.R.S. § 45-108(A).

Adequacy of the 100-year water supply was reviewed by the Department with regard to physical, legal and continuous availability, water quality, and financial capability. No information has been provided to the Department that indicates that the applicant has satisfied the adequate water supply requirements as set forth in A.A.C. R12-15-701 *et seq.* Therefore, the Department of Water Resources finds the water supply to be inadequate to meet the subdivision's projected needs.

Pursuant to A.R.S. §32-2181(F) a summary of the Department's report for those with an inadequate water supply be included in all promotional material and contracts for sale of lots in the subdivisions. We suggest the following synopsis:

"Realsite Arizona Ranchettes Units 1,3,4,6,7,8, and 9 subdivision is being served groundwater by individual wells. The developer has chosen not to demonstrate a 100-year adequate water supply. The applicant has not demonstrated that the criteria for physical, legal and continuous availability, water quality, and financial capability have been met.

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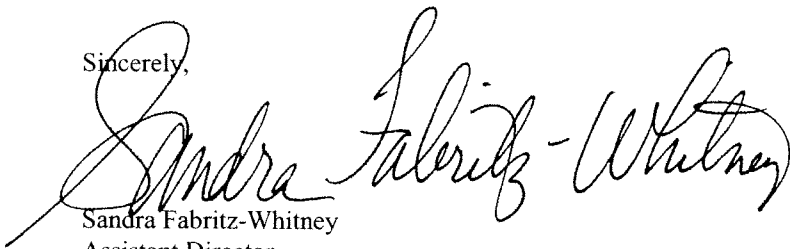
Realsite Arizona Ranchettes Units 1,3,4,6,7,8, and 9 subdivision

Therefore the Department must find the water supply to be inadequate. For additional information please contact Rosemary Lopez, of the Office of Assured and Adequate Water Supply at (602) 771-8585."

The developer, pursuant to A.R.S. §32-2181(F), may suggest a different summary of this report, but it must contain the above elements and/or the Department's findings.

This letter is being forwarded to your office as required by A.R.S. § 45-108. This law requires the developer to hold the recordation of the subdivision's plat until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Mohave County Recorder is being officially notified of the developer's compliance with the law.

Sincerely,

A handwritten signature in black ink, reading "Sandra Fabritz-Whitney". The signature is fluid and cursive, with the first name "Sandra" being the most prominent.

Sandra Fabritz-Whitney

Assistant Director

Water Management Division

cc: Mohave County Planning and Zoning
Mohave County Recorder
Philip G. Wisely, Stanley Consultants, Inc.
Rosemary Lopez, Office of Assured and Adequate Water Supply